

# United States Court of Appeals

FOR THE NINTH CIRCUIT

Nos. 20740-1 ✓

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R. A. HENDERSON,

Appellant,

vs.

A.C. SPARK PLUG DIVISION of  
GENERAL MOTORS CORPORATION,

Appellee.

-and-

R. A. HENDERSON,

Appellant,

vs.

FORD MOTOR COMPANY,

Appellee.

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BRIEF FOR APPELLANT

R. A. HENDERSON

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FEB 14 1967

APPEAL FROM

THE UNITED STATES DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF CALIFORNIA,

SOUTHERN DIVISION

FILED

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The District Court's jurisdiction was invoked under 28 U.S.C. 1338 (a). Timely Notices of Appeal were filed on December 27, 1965. This Court's jurisdiction is based on 28 U.S.C. 1291.

## STATEMENT OF THE CASE

### FACTS

Appellant brought separate actions against appellees alleging infringement of his U.S. Patent No. 3,088,447. Both appellees moved the Court for summary judgments on the grounds of lack of validity of the patent.

That in connection with said motion, testimony was taken from Mr. Kotts, an expert appointed by the Court. See Reporter's Transcript dated November 8, 1965, page 8, line 11 and line 23 and following.

Mr. Kotts testified that it was a factual issue as to whether or not the subject invention was on sale more than one year before appellant applied for a patent thereon. See said Reporter's Transcript, page 11, lines 4 through 16 and page 18, lines 18 through 24. Mr. Kotts described the issue as being whether or not a person skilled in the art could make the Henderson device from his disclosure in his original application. See Exhibit 1 of Record (File Wrapper) and Transcript, page 11 (bottom) and top of page 12.

Also, at the hearing on said date testimony was heard concerning the disclosure in Hanks Patent No. 2,354,373 as it relates to appellants.

Mr. Kotts testified that from reading both patents it was "fairly clear" that the Hanks patent anticipated the Henderson



patent. See said Reporter's Transcript page 14, lines 16 through 21.

On the other hand, Mr. Neill, an expert called by appellant testified as to numerous factual distinctions between the Hanks patent and the Henderson patent. Reference is to said Reporter's Transcript pages 25 to 50. For example, at least one feature of the Henderson device was described as exactly opposite that of the Hanks device. Attention is called to page 46, lines 11 and 12 thereof.

At the hearing the appellant Mr. Henderson gave direct testimony on factual differences between his device and the earlier Hanks device. See page 22, lines 15 through 25 of said Reporter's Transcript.

The Court granted the summary judgments on the grounds that the appellants invention was anticipated by the Hanks patent. See document entitled "Conclusions of Law," at page 18, beginning line 15 of the Transcript of Record (in favor of General Motors) and page 85, beginning line 2 thereof in "Findings of Fact" (in favor of Ford Motor Company).

Also, the Court based its summary judgment on its finding that, "the earliest filing date which can be accorded the patent in suit is December 5, 1961." Page 18, line 11 of Record; that alleged infringing device was sold September, 1960 (page 17, line 26 of Record).

Since the district court has held the sole remaining claim (claim 6) to appellant's patent invalid the contentions of

appellant are equally applicable to both defendants. For convenience the contents of this brief are submitted against both appellees. The validity of the patent affects both defendants equally. The same facts and law are pertinent in both cases. The action has not yet proceeded to matters of alleged infringement and damages.

#### RULES AND STATUTES INVOLVED

1. RULES OF CIVIL PROCEDURE for the district courts of the United States.

Rule 56 (c) The judgment sought shall be rendered forthwith if the pleadings, depositions, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.

2. A party can move for summary judgment with or without supporting affidavits. Rule 56 (a), (b).

The opposing party may serve affidavits. Rule 56 (c) The court considers pleadings in deciding on the motion. Rule 56 (c), also, when a motion is based on facts not appearing of record the court may hear the matter on affidavits presented by the respective parties, but the court may direct that the matter be heard wholly or partly on oral testimony or depositions. Rule 43 (e).

3. Title 35 U.S. Code 101. Whoever invents or discovers any new and useful process, machine, manufacture, or composition

of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Title 35 U.S.C. 102. A person shall be entitled to a patent unless--

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States.

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent.

Title 35 U.S.C. 103. A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the difference between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

35 U.S.C. Chapter 11, section 111. APPLICATION FOR PATENT. Such application shall include: (1) a specification as prescribed by section 112---

35 U.S.C. Chapter 11, section 112. SPECIFICATION. The specification shall contain a written description of the invention in such full, clear, concise and exact terms as to enable any person skilled in the art----to make and use the same, etc.

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

#### SPECIFICATION OF ERROR RELIED ON

The District Court erred in holding that the pleadings and testimony did not raise any genuine issue on any material fact.

#### QUESTIONS PRESENTED

Does the expediency of a dismissal summarily given outweigh the patent purpose on an important invention (smog control device) where the parties do not agree on facts pertinent to the alleged anticipation?

#### SUMMARY OF ARGUMENT

Two strong presumptions should be applied in favor of the appellant. The first presumption is that his patent is valid. The second presumption is against a summary judgment.

The court found no genuine issue of fact. Apparently its reliance for such a finding was upon the testimony of an expert. The appellant of course assumed the validity of his patent by alleging the infringement thereof. The expert testified to the factual invalidity thereof. The expert's testimony is pregnant with admissions that issues of fact exist. Other witnesses testified often as to facts tending to show patent validity.

In any event, there are not sufficient elements for sustaining the drastic remedy of a summary judgment. Testimony



for and against the motion was very short as the proceeding was not a substitute for trial. See Federal Civil Practice, California Continuing Education of the Bar page 378, paragraph (5).

#### PUBLIC POLICY FAVORS UPHOLDING PATENT

The patent monopoly was designed as an award, an inducement, to bring forth new knowledge. See Graham vs. John Deere Company, Commercial Clearing House, U.S. Supreme Court Bulletin, October term 1965, No. 11 decided February 21, 1966, page B672 quoting Thomas Jefferson with approval. It is difficult to imagine an area where new knowledge is more needed than in the area of smog control. We urge the Court to consider the public interest in stimulating creativity and disclosure thereof in the field of smog control. Upholding the applicant's patent will help. We cite the Court's wisdom in Bliss Company vs. Cold Metal, 47 Federal Suppl. 897 holding that there should be no summary judgment in a patent case involving an important invention if the parties have not agreed on facts and have not both moved for a summary judgment.

#### JUSTICE FAVORS UPHOLDING PATENT ONCE GRANTED

Induced by the protection of a patent, the appellant disclosed in his patent application his invention in sufficient detail that it could be duplicated. He made the disclosure in reliance on patent protection. To now strip him of that protection, without trial, would be an improper manipulation of

rights. He cannot now secret his creativity. The courts have often said that the presumption of validity should not be interfered with except by a thorough conviction based on evidence. Hayes vs. Brenner, No. 19711, decided February 3, 1966. U.S. Court of Appeals, District of Columbia. Zenith Radio Corporation vs. Ladd, 310F. 2d. 859 (1962).

WHEN VALIDITY IS IN ISSUE FACTS ARE IN ISSUE

The holding in Cee-Bee Chemical Company vs. Delco Chemicals CA9 263 F. 2d 150 (1958) recites the prevailing view distinguishing the fact phase from the law phase when patent validity is in issue. Of course this is important in reviewing a summary judgment. Existence or non-existence of a genuine issue of fact must be ascertained. That case states that what is prior art and what the patentee did to improve thereon are questions of fact. Whether or not this is classified as an invention is law.

The matter of "prior art" is in contention in the subject case on two sets of facts.

a. The defendants allege that appellant's device is obviously (to a skilled person) close to the Hanks patent disclosure, and,

b. that a skilled person couldn't have made the appellant's device with knowledge gained by examining his patent application as it was first filed. This sets him up for the statutory bar, a legal conclusion.

The defendants are contending that in either event, the prior art is too close to Henderson's disclosure to permit a finding of patentable invention. And furthermore, the prior art is so obviously close that no amount of evidence could tip the scales in favor of patentable invention in the mind of the Court or jury. The two factual contentions (a) and (b) supra will be treated separately in order.

THE DEGREE OF SIMILARITY OF PATENTS

SHOULD BE DECIDED ON ALL RELEVANT

EVIDENCE: NOT THE EXCLUSION OF ALL EVIDENCE

The general rule regarding factual issues in prior art applies to the specific claim of "obviousness" of a prior patent. In ruling on whether to include such matters as a "finding of fact" or "conclusion of law" the court recently opined that an issue of obviousness under 35 U.S.C. 103 is an issue of fact with a legally inferred conclusion. It may properly be called a mixture of law and fact. Stief vs. Commissioner of Patent, No. 19,361, November 18, 1965, U.S. Court of Appeals, District of Columbia Circuit, 147 U.S. Patent Quarterly 356.

To the same effect is a recent Supreme Court case on the issue of "obviousness." The opinion includes the dicta that the ultimate question of patent validity is one of law but that several basic factual inquiries are required for a finding of patent validity or invalidity. Graham vs. John Deere Company, supra.

Where a prior patent is cited as anticipation it is crystal clear that facts are in issue. It is not merely a case of construing documents. The leading case on this is Bischoff vs. Wethered, 9 Wall. (76 U.S.) 812, 19 Law Ed. 829 (1869). 1 Walker on Patents (Deller's Ed.) 294-5 quotes from the case. It seems that alleged anticipation by a prior patent depends upon the outward embodiment of the terms of the patent. The outward embodiment is sought by evidence in pais. Far more is involved than looking only within the four corners of the patents. More is involved than comparing the claims (numbered paragraphs) of the two patents. The claims must be construed in respect to the whole specification. U.S. vs. Adams CCH U.S. Sp. Ct. Bull. Current term page B709.

The following matters of evidence have been held admissible on the issue of degree of similarity of prior art. Case citations are found in 1 Walker (Deller's Ed.) page 254 et sub

What was the condition, character and progress of the art to which invention relates? Does appellant's device accomplish a result never before attempted or thought of? Is the device useful? Were experiments required before his result was arrived at? Did patentee succeed where others seeking same result had failed? Does result satisfy a long felt want? (smog control) Did appellant substitute materials that result in a new function? Did appellant change the form of the prior art involving a change



of mode of operation, or function or result? Is there a duplication of parts causing a new mode of operation or producing a new unitary result? If parts are omitted did this cause a new mode of operation of parts retained? If there are equivalent parts, does the new part perform the old function and another function by another mode of operation? Even if the device is old, is there a new and non-analogous purpose? Even though similar, is prior device incapable of functioning like the appellant's device? Did the inventor of the prior device contemplate the use of the patent in suit? Were appellant's results wholly unexpected? Are there certain valuable advantages in appellant's device? Are there disadvantages in the old device which would tend to discourage the search for new inventions?

The last three inquires are proper under the authority of U. S. vs. Adams, a companion case, to the Graham case cited above. See CCH October 1966 term bulletin page B701. These cases hold that the "non-obvious" test for patentability added by statute in 1952 has not changed case law. It has codified case law.

The Hanks patent and the Henderson patent are obviously not identical. Placing them side by side they look different and are directed to solving different problems. See pages 64 through 76 of said Transcript of Record. Hanks deals with getting power out of a quantity of gasoline; Henderson deals with controlling automotive exhaust air pollution. See the opening paragraphs in each patent. The patents not being the same or even dealing with the

same subject matter, it seems unavoidable that the Court must take evidence from appellant tending to show patentability and from the appellee tending to show lack of patentability.

At the limited hearing associated with the motion Mr. Kott and Mr. Neill testified oppositely as to the fact of anticipation of appellee's patent by the Hanks patent. The issue is genuine and material. If appellant's patent was anticipated by the Hanks patent it would have to be declared invalid and infringement could not lie. On the other hand, if the Henderson patent has not been anticipated by the Hanks patent the matter will move in the direction of inquiry into the issue of infringement.

EVIDENCE IS REQUIRED TO SHOW WHETHER OR NOT  
PATENT WAS ANTICIPATED BY PRIOR USE OR SALE

The Court found that defendant General Motors commenced sale of device charged by plaintiff to infringe in September 1960. See page 17 of Transcript paragraph XII. The Court concluded that the earliest filing date accorded the patent in suit is December 5, 1961. See page 18, paragraph II thereof.

In this regard the Court is assuming that the alleged infringing device is "the invention" as the Courts have defined that term as used in 35 U.S.C. 102 (b). Several judicial opinions contain the expression "That which infringes, if later, would anticipate, if earlier." See 1 Walker on Patents 256.

This epigrammatic formula is too broad. Those who use it overlook important facts which must be resolved. These are

genuine issues of fact: that is: (a) is the patent primary or secondary? (b) how were the claims framed? (c) how should the claims be construed in the light of the alleged earlier sales?

Also, there's admittedly an issue of fact as to whether or not the earliest filing date Henderson can claim is December 5, 1961. Mr. Kotts, the Court appointed expert, stated that if there was adequate disclosure in Henderson's first application he can take the benefit of this filing date. See page 11, beginning line 4 of Reporter's Transcript. He says in other words, there is a genuine issue of fact. However, Mr. Kotts went a step further and concluded the disclosure was inadequate for one skilled in the art to make the device. This conclusion is drawn because the Examiner said he could not understand the invention. See page 12 beginning line 18 of the Reporter's Transcript.

If the application as first filed was sufficiently clear to teach others to make the device the patent would not be invalidated, whether the invention is claimed or not. 1 Walker 297, citing cases.

This meaning of "invention" denotes the part of the device the applicant claims is unique; that is, his contribution to the art. See 35 U.S.C. Chapter 11, sec. 12. Apparently the Examiner was merely unable to delineate the new from the old. This seems a reasonable interpretation and is consistent with the presumption of validity of a patent. A full trial and evidence is needed to determine if a person skilled in the art could make the

Henderson device from his disclosure as he first presented it. Nowhere in the law do we find particularly pointing out an invention to be equivalent to describing a device in sufficient detail to teach others to duplicate it.

There was no direct testimony as to the particular contents of the first Henderson application. There is Mr. Kotts' conclusion but no evidence to support it. As far as the record shows anyone could have made the Henderson device by reading his first application.

It is reasonable to assume that an application can teach a skilled engineer and also cause a patent technician to not understand the "invention," within the patent law definition of "invention."

In such event, a summary judgment should be denied. Authority therefor is Krasnow vs. Sachs, 58 Fed. Suppli. 828. There court denied summary judgment on the grounds that the record did not contain all the essential elements on which validity could be predicted. In case of any doubt, matters must be construed against the drastic remedy of summary judgment. 28 Cal Jur. 2d 666 et subseq.

#### CONCLUSION

For the reasons stated, it is respectfully submitted that the district court's orders granting summary judgments to both defendants be reversed, and the cause remanded with instructions to enter orders setting aside the summary judgments.



MAR 30 1966

Dated: \_\_\_\_\_

  
\_\_\_\_\_  
TOM SHERRARDCERTIFICATE

I certify that, in connection with the preparation of this brief, I have examined Rules 18 and 19 of the United States Court of Appeals for the Ninth Circuit, and that, in my opinion, the foregoing brief is in full compliance with those rules.

  
\_\_\_\_\_  
TOM SHERRARD

